



**House the Homeless, Inc.**  
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## **A Housing 1<sup>st</sup> Model Project**

### ***-A Win-Win Proposal***

This is just one proposal suggesting best practices for how to spend some of the \$55 million housing bond money. This approach will stimulate the local housing market while housing homeless individuals with disabilities almost immediately.

The 2007 disability award check for Supplemental Security Income, SSI, for an individual, amounts to no more than \$623.00 per month. This is little more than half that of a minimum wage earner. This amount must then be used to secure food, clothing, shelter, and any other life expenses such as toiletries and transportation, etc. This cannot be achieved at that level of income in the Austin Area. The result is that there are an untold number of individuals with disabilities receiving an SSI check while still remaining homeless on the streets of Austin. Our solution is a simple one. It is designed to house them without creating any further unwarranted cost.

### **Proposal**

This proposal would ensure that an SSI recipient would also receive a locally funded supplemental check known as a Section 8-L Voucher. Individuals would be able to afford local housing while spending no more than 30% of their income using the U.S. Department of Housing and Urban Development, (HUD), Section 8 Housing Fair Market Rents, FMRs for Austin and the payment standards and utility allowances used by the Austin Housing Authority for its Section 8 housing voucher program.

This can be accomplished by using professional case managers at existing homeless facilities whose job it would be to identify potential recipients. Upon presentation of an SSI award letter, and subsequent certification, the homeless individual would then secure the Section 8-L Voucher that would be issued either in collaborative conjunction with Neighborhood Housing or through another appropriate agency.

This collaborative approach would alleviate the expense of structural housing costs, housing maintenance costs or additional administrative costs. Section 8-L Voucher recipients would then be directed toward the general housing rental market. The effect would be to almost immediately house our most vulnerable citizens, while strongly stimulating the local housing economy. This is a win-win proposal.

This approach would yield the cheapest housing imaginable.

Example of Financial Support Under the Section 8-L Voucher Program Using Rent Formulas Under the Section 8 Housing Voucher Program

Example

\$600 00	rent of an efficiency apartment	
<u>(\$105 00)</u>	utility allowance	(will vary depending on the amount of utilities paid by tenant)
\$705	gross rent	
30% of \$623 00 SSI = \$177 00 tenant portion		
\$661 00	payment standard for efficiency apartment	
<u>(\$177)</u>	tenant portion	
\$484 00	housing assistance payment paid by City monthly or \$5,808 per year	
\$600 00		
<u>(\$484 00)</u>		
\$116 00	Tenant pays for rent plus cost of all utilities	

**Recommendation** An investment of \$10,000,000 would house 172 individuals for 10 years during which time they would be directed to apply for Section 8 Housing Vouchers and project-based Section 8 with privately owned, federally subsidized apartment complexes



# Housing Authority of the City of Austin

*Established in 1937*

**Payment Standards for  
The Housing Choice Voucher Program  
Effective February 1, 2007**  
*(Payment Standards at 110% of published 10-1-2006 FMRs)*

Number of Bedrooms on voucher	<b>EFF.</b>	<b>1-BR.</b>	<b>2-BR.</b>	<b>3-BR.</b>	<b>4-BR.</b>	<b>5-BR.</b>
<b>FMRS and Payment Standards Landlord Pays All Utilities (All Bills Paid)</b>	<b>\$661</b>	<b>\$753</b>	<b>\$920</b>	<b>\$1251</b>	<b>\$1446</b>	<b>\$1663</b>

**THE PAYMENT STANDARDS ABOVE REFLECT RENTS IF THE LANDLORD PAID ALL UTILITIES** The rent requested may be more or less than these amounts. The payment standards are used to calculate the monthly housing assistance payment for a family. Families may not pay more than 40% of their adjusted monthly income toward rent and utilities.

**REASONABLE RENTS:** the rent requested must be reasonable compared to a similar unassisted unit. A rent reasonableness study will be conducted and all requested rents must be approved for an initial lease or any rent increases.

US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT SECTION 8 EXISTING HOUSING ALLOWANCES FOR TENANT-FURNISHED UTILITIES AND OTHER SERVICES					DATE reviewed December 2005		
LOCALITY <b>AUSTIN HOUSING AUTHORITY</b>			UNIT TYPE <b>All</b>				
UTILITY OR SERVICE		MONTHLY DOLLAR ALLOWANCES					
		0 -BR	1-BR	2-BR	3-BR	4-BR	5-BR
<b>Heating</b>	a Natural Gas	\$9	\$12	\$16	\$20	\$25	\$28
	b Electric	\$8	\$13	\$22	\$26	\$34	\$38
<b>Air Conditioning</b>		\$8	\$11	\$19	\$23	\$37	\$37
<b>Cooking</b>	a Natural Gas	\$5	\$7	\$9	\$11	\$13	\$16
	b Electric	\$3	\$6	\$8	\$10	\$13	\$14
<b>Other Electric</b> (electric lighting, refrigerator, fan, etc )		\$20	\$25	\$30	\$35	\$42	\$49
<b>Monthly Base Gas Charge</b>		\$ 8	\$ 8	\$ 8	\$ 8	\$ 8	\$ 8
<b>Water Heating</b>	a Natural Gas	\$13	\$17	\$20	\$25	\$31	\$35
	b Electric	\$12	\$18	\$22	\$30	\$38	\$46
<b>Water (Average)</b>		\$7	\$10	\$12	\$19	\$24	\$35
<b>Sewer (Average)</b>		\$8	\$17	\$22	\$39	\$51	\$68
<b>Trash Collection</b>		\$23	\$23	\$23	\$26	\$26	\$26
<b>Range</b>		\$6	\$6	\$6	\$6	\$6	\$6
<b>Refrigerator</b>		\$6	\$6	\$6	\$6	\$6	\$6
<b>Discounts:</b>		Qualifying customers certified by the City of Austin Utility Company may be eligible for the waiver of the monthly base charge. To qualify, the customers must be 65 years of age or older with total household income of \$10,000 or less per year, provided that the service account is individually metered and in the customer's name CITY OF AUSTIN DISCOUNT \$ 6.00 MONTHLY					
Actual family allowances (to be used by family to complete allowance Complete below for actual unit rented)					UTILITY OR SERVICE		PER MONTH
NAME OF FAMILY					HEATING		
ADDRESS OF UNIT					AIR CONDITIONING		
					COOKING		
					OTHER ELECTRIC		
					WATER HEATING		
					WATER		
					SEWER		
					TRASH COLLECTION		
					RANGE		
NUMBER OF BEDROOMS					REFRIGERATOR		
					TOTAL		